

STATEMENT
OF
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BEFORE THE
UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON SCIENCE, THE DEPARTMENTS OF STATE, JUSTICE AND
COMMERCE, AND RELATED AGENCIES

March 1, 2005

Good morning Chairman Wolf, Congressman Mollohan and Members of the Subcommittee:

It is my pleasure to appear before you for the first time to present the President's FY 2006 budget for the Department of Justice. I assumed this office knowing that the Department of Justice (DOJ) is fully committed to protecting the lives and the liberties of our citizens. As such, the budget proposal I bring before you today requests resources to continue protecting Americans and keeping our streets safe. For FY 2006, the President's budget requests \$19.1 billion for the Department of Justice, including \$535.2 million in new investments for preventing and combating terrorism, including counterintelligence.

The Department's FY 2006 budget requests \$3.1 billion to strengthen the nation's counterterrorism investigative capabilities to identify, track and prevent terrorist cells from operating in the U.S and enhance the Nation's counterintelligence analysis capabilities. This request also provides necessary resources to continue our efforts to deter, investigate and prosecute federal crimes, including gun, drug and civil rights violations; incarcerate offenders; partner with state, local, community and faith-based groups to prevent crime, including crimes against children; and provide leadership and assistance in meeting the needs of crime victims.

Preventing and Combating Terrorism, Including Counterintelligence

Over the past three years, the Department has steadfastly allocated resources to counterterrorism and has undergone a transformation in our priorities, as well as our organization. Within DOJ, the Federal Bureau of Investigation is in the process of standing up a comprehensive Intelligence Program to prevent terrorist attacks, an effort that has been accelerated by the passage of the Intelligence Reform and Terrorism Prevention Act of 2004. The FY 2006 budget includes funding to strengthen the FBI's Intelligence and Counterterrorism Programs, such as additional resources to hire an additional 499 Intelligence analysts and 288 agents for the Counterterrorism Program.

Tremendous strides in the war on terrorism were made under the leadership of Attorney

General John Ashcroft. In the past year alone, the Department of Justice has arrested 379 individuals on counterterrorism-related charges and prosecuted and obtained convictions in 200 terrorism-related cases.

Under my leadership, we in the Department will continue to be resolute in our quest to address terrorism and other threats to our nation with integrity and devotion to our highest ideals. I appreciate the support shown by this Subcommittee and the Congress in providing the necessary resources for the Department of Justice to be a champion and build a culture dedicated to protecting the lives and liberties of Americans. The budget that I present to you today reflects this support and seeks to enhance the Department's ability to protect America.

Enhancing Counterterrorism/Counterintelligence Capabilities

Since September 11, 2001, the Federal Bureau of Investigation's (FBI) counterterrorism workload has more than tripled, from 9,340 cases pending and received in the field to over 33,000 in FY 2004. This budget request includes resources for the FBI to provide critical counterterrorism investigation capabilities. This funding will allow the FBI to strengthen its effort to identify, track, and prevent terrorist cells from operating in the United States. Principal increases would provide funding to: double the size of the Hostage Response Team, hire 499 additional intelligence analysts, enhance the foreign language translation program by \$26 million, and expand the Legal Attaché program.

This budget also includes funding for two Presidential initiatives, the National Counterterrorism Center (NCTC) and the Terrorist Screening Center (TSC). The NCTC, established in May 2003 as the Terrorist Threat Integration Center, is a multi-agency effort that merges and analyzes intelligence information to provide a comprehensive threat analysis to the intelligence and law enforcement communities.

The Terrorist Screening Center, which was established by Homeland Security Presidential Directive/HSPD-6 on September 16, 2003, and became operational on December 1, 2003, consolidates terrorist watch lists. Several initiatives require additional resources in this area, including: continuing education of state and local law enforcement; more stringent screening at U.S. borders; and screening all passengers on domestic and international flights without unduly delaying commerce or travel. To meet these increased requirements, this budget includes an additional 61 positions and \$75 million for TSC, bringing total TSC funding up to \$104 million.

Additionally, successful counterterrorism requires the cohesive intelligence, investigative, and prosecutorial efforts of many government agencies, including the federal, state, and local law enforcement agencies participating in the Joint Terrorism Task Forces (JTTF). A key to the success of the JTTF concept remains the melding of personnel from various law enforcement agencies into a single focused unit. Also, since the events of September 11, 2001, the U.S. Attorneys and the Department's Criminal Division have utilized the full cadre of anti-terrorism statutes to prosecute terrorist activities, including disrupting terrorist financing. Our budget seeks an additional \$13.2 million and 91 positions to enhance these efforts,

including funds to support the investigation of terrorism, primarily through the application of warrants under Foreign Intelligence Surveillance Act and Department-wide continuity of operations investments.

Additional Enhancements to Counterterrorism/Counterintelligence Infrastructure

A key element in our efforts to prevent future acts of terrorism is our ability to effectively share information about terrorists, criminal activity and threats to public safety within DOJ and with other federal, tribal, state and local law enforcement partners. To support this effort, this budget requests an additional \$63.9 million and 5 positions for the Justice Information Sharing Technology (JIST) Program. This program will ensure that investments in information sharing technology are well planned and aligned with the Department's overall information technology strategy and enterprise architecture. JIST will also ensure that all DOJ components are able to operate in an interoperable environment, particularly with respect to preventing terrorist attacks on the United States.

This request also continues efforts to partner with state and local governments to maximize resources targeted to homeland security efforts. The FY 2006 budget maintains this commitment and includes \$90.3 million in directed investment grants for counterterrorism/counterintelligence efforts.

Drug Enforcement

For the first time in a decade, drug use has decreased among 8th, 10th, and 12th graders. With extraordinary collaboration between federal law enforcement agencies, in the past two years the Department of Justice has crippled international trafficking organizations responsible for the U.S. drug supply. In FY 2004, the Department dismantled 36 Consolidated Priority Organization Target (CPOT)-linked drug trafficking organizations and severely disrupted an additional 159 organizations

The FY 2006 budget requests enhancements of \$245.4 million for drug enforcement efforts: \$172.5 million is for the Organized Crime Drug Enforcement Task Force (OCDETF) Program, the cornerstone of the Department's drug enforcement strategy, and \$72.9 million is for the Drug Enforcement Administration (DEA), the nation's sole law enforcement entity dedicated exclusively to drug enforcement. The request also includes an additional \$32.6 million in new initiatives for DEA's Diversion Control Fee Account and \$206.7 million in directed investments for the Office of Justice Programs.

Law enforcement agencies must pool their resources and expertise to target trafficking networks effectively. The Department's Drug Enforcement Strategy refocused the OCDETF Program to conduct coordinated investigations of major drug supply and money laundering organizations, targeting the entire infrastructure of these enterprises. For this successful program, the Department requests additional resources of \$172.5 million and 517 positions. This increased level of funding will address staffing imbalances that exist within the U.S.

Attorney workforce; increase FBI OCDETF drug resources that focus on major trafficking organizations; implement Phase II of a multi-year plan to increase the capacity of the U.S. Marshals Service to apprehend OCDETF fugitives; and provide for ongoing operations and maintenance of the OCDETF Fusion Center beyond FY 2005.

This request also reflects the President's proposal to transfer the High Intensity Drug Trafficking Area (HIDTA) Program from the Office of National Drug Control Policy (ONDCP) to the Department of Justice, with funding provided through OCDETF at a level of \$100 million including 5 positions. This will enable law enforcement to target the drug trade in a manner that is strategic and complementary of the OCDETF Program and preserves HIDTA's most effective elements, such as intelligence sharing and fostering multi-agency law enforcement coordination.

Our FY 2006 budget requests \$72.9 million and 122 positions, including 76 new agents, for the DEA. The investments requested will provide permanent funding for DEA's Overseas Rightsizing plan; enhance intelligence sharing to fully exploit, gather, analyze and share intelligence information; and maintain and upgrade DEA's intelligence capabilities. These resources will also strengthen the investigation of drug trafficking and money laundering priority target organizations through enhanced communications intercept capabilities and investigative technologies.

For DEA's Diversion Control program, our FY 2006 request proposes an increase of \$32.6 million and 109 positions to enhance investigations and enforcement actions against the illegal sale, use, or diversion of controlled substances. The request also proposes to transfer funding associated with the Chemical Program from the Salaries and Expenses account to the Diversion Control Fee Account to complete the transfer effectuated in the FY 2005 Appropriations Act. Funding all Diversion Control Program activities from the Diversion Control Fee Account will help streamline the program's financial management activities.

The Department's FY 2006 budget also includes \$206.7 million in directed investments to assist state and local efforts in implementing drug enforcement programs and strategies. Among these directed investments are: a \$19.3million increase for residential substance abuse treatment; an additional \$30.0 million for drug courts; a \$19.4 million increase for southwest border drug prosecution; \$20 million to continue methamphetamine lab cleanup; and \$5 million to continue the prescription drug monitoring program.

Gun Crimes Enforcement

Violent firearms crime and trafficking continue to be significant law enforcement problems throughout the Nation. The Administration is committed to getting gun criminals off the streets through the Project Safe Neighborhood (PSN) initiative. PSN is a comprehensive strategy that brings together federal, state, and local agencies to reduce violent crime in our communities. Working with the Department, each community tailors the program to target local gun violence problems. The Administration has also launched a companion initiative, the Violent Crime Impact Teams (VCIT), led by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF).

VCIT, currently active in 15 cities, expands to 25 cities in the FY 2006 budget.

Multiple Justice components play key roles in the Department's effort to reduce violent crime. Since joining the Department in January 2003, ATF has become an integral part of the Department's efforts to reduce the violent use of firearms by criminals and gangs. Over 72 percent of ATF's resources (\$666.0 million) are dedicated to firearms regulation and enforcement efforts, including licensing and inspection of federal firearms dealers, ballistics gun tracing, and criminal investigations of gun related crimes in partnership with a variety of federal, state and local law enforcement agencies. In addition, the United States Attorneys Offices (USAO) across the country continue to develop strategies to make their communities safer. Critical to that goal is the aggressive prosecution of violent crimes, particularly those involving firearms. Another key component to helping to forge strong and effective partnerships with state and local law enforcement, is the Office of Justice Programs which provide grant funding that focuses on youth gun violence deterrence, firearms safety, criminal records improvements, and strategic planning.

The FY 2006 request includes \$31.3 million and 158 positions in new investments and \$165.7 million in Office of Justice Programs directed investments for gun crimes enforcement, including increases of \$28.9 million for Project ChildSafe and \$32.8 million for the National Criminal History Improvement Program.

Litigation

The Department's FY 2006 request includes \$31.6 million and 227 positions in new investments for litigation to enforce federal laws and represent the rights and interests of the American people, as well as \$1 million in Office of Justice Programs directed investments. The Department serves as the Nation's chief litigator, representing the United States in court and enforcing federal civil and criminal statutes, including those protecting civil rights, safeguarding the environment, preserving a competitive market structure, defending the public against unwarranted claims, and preserving the integrity of the Nation's bankruptcy system.

The President's FY 2006 Budget request includes funding to fortify the U.S. Attorneys' immigration and intellectual crime prosecutions; the Criminal Division's ability to investigate and prosecute child sex exploitation, trafficking, and obscenity; the Civil Division's efforts to address immigration litigation; and the Environment and Natural Resources Division's litigation needs associated with tribal trust cases.

Key investments include: \$1.9 million and 36 positions for additional paralegals to narrow the gap between the private sector industry average and that found in the U.S. Attorneys' Offices; \$3.7 million and 46 positions to ensure there is sufficient U.S. Attorney presence to meet the steadily increasing caseload generated by increased Immigration and Customs Enforcement cases; \$5 million and 58 positions in U.S. Attorney and Civil Division resources for Health Care Fraud investigations and prosecutions; and \$1 million and 11 positions to expand the Computer Crime, High Tech and Intellectual Property program.

Between FY 2001 and FY 2004, the Civil Division's Office of Immigration Litigation (OIL) workload tripled to approximately 15,000 cases and will likely surpass 21,000 by FY 2006 due to the avalanche of appeals by aliens challenging decisions to detain, deport, exclude, and remove them. By FY 2006, the attorney workload is projected to reach 186 cases - a number that is impossible for any attorney to handle effectively. Inadequate resources to defend these cases could result in adverse judgments, hindering the government's ability to pursue a consistent, unified strategy for upholding immigration enforcement actions and, consequently, undermining our national security. The FY 2006 budget requests \$5.8 million and 58 positions to protect our Nation by excluding and deporting those aliens who pose a threat to national security and aliens who otherwise lack entitlement as defined by the Immigration and Naturalization Act. The request also includes enhanced resources for the Civil Division's Spent Nuclear Fuel Litigation to provide automated litigation support for the sixty-six cases filed by nuclear utility companies against the Department of Energy.

The FY 2006 budget also requests \$7.4 million and 18 positions to defend the United States in lawsuits filed by Indian Tribes for allegations regarding the management of Tribal assets by the Bureau of Indian Affairs. The United States' potential exposure in these cases is more than \$200 billion. Adequate resources are necessary to limit exposure and establish proper precedent for the United States. These cases differ from lawsuits brought against the United States by individual Tribal members, like Cobell, due to the extent of the potential exposure and the amount of document management/production required. The document management is astronomical: approximately 55 million pages of documents need to be reviewed. Thus the requested increase includes \$6.1 million to address these document management-related expenses.

Crimes Against Women and Children and Obscenity

The Violence Against Women Act has made a critical difference in the lives of countless women and children. During this Administration, the Office on Violence Against Women (OVW) has awarded nearly \$1.25 billion in grants and cooperative agreements to enable communities to increase their efforts in addressing violence against women and to support and enhance services for victims. To build on these efforts this budget requests a \$363 million total investment for the Office on Violence Against Women.

The Department's budget reflects its commitment to protect the most defenseless and youngest victims from human trafficking and other forms of exploitation. During the last year, the Department worked aggressively with other law enforcement agencies to target and prosecute a large variety of offenders posing grave threats to children, including large international rings of organized and predatory child molesters and commercial producers and sellers of child sex abuse images. Through these efforts, more than 150 child victims were rescued. As the Nation's expert in the prevention and prosecution of child exploitation and obscenity, the Department's Criminal Division attorneys prosecute defendants who have violated federal child exploitation and obscenity laws and also assist the 94 United States Attorney

Offices in investigations, trials, and appeals related to these offenses. Additionally, the FBI's Innocent Images National Initiative (IINI) identifies, and investigates sexual predators who use the Internet and other online services to sexually exploit children, identifies and rescues child victims, and establishes a law enforcement presence on the Internet as a deterrent to subjects that exploit children. This budget increases funding by \$10.4 million for the Justice Department's efforts to fight child pornography and obscenity, including the Criminal Division programs, IINI, and the Internet Crimes Against Children Task Forces.

In FY 2004, the FBI located 300 missing children, shut down 2,638 child pornography websites or web hosts, and assisted in obtaining 881 convictions/pretrial diversions for crimes against children via online computer usage. This budget requests an increase of \$9.1 million and 85 positions to continue these efforts.

The Office of Justice Programs plays a significant role in reducing crimes against children through training and technical expertise to our state and local law enforcement partners and public safety entities. Since the President announced an administration effort to expand and coordinate the AMBER Alert network in October 2002, it has been credited with the recovery of over 150 children, or over 80 percent of the 188 recoveries since the initiative began in Texas in 1996. In 2005 the Amber Alert plans were established in all 50 states marking a milestone in our efforts to prevent child abductions. This budget seeks \$5.0 million to maintain this system.

State and Local Assistance

State and local law enforcement departments are critical partners in the war against terror and the fight against crime. FY 2006 budget selectively maintains and grows effective programs with over \$1.5 billion in grant assistance to state and local agencies, including \$185.3 million to strengthen communities through programs providing services such as drug treatment, \$90.3 million to fight terrorism, and \$335 million to combat violence. This includes enhancements to grant funding provided under Project Safe Neighborhoods; \$235.2 million for law enforcement technology, including funding to continue and enhance the Administration's DNA initiative; and \$92.5 million to support drug enforcement, including funding to continue and expand the Southwest Border Drug Prosecution Program.

Programs targeted to helping strengthen our community remains a priority for the Department of Justice. A total investment of \$185.3 million in FY 2006 provides \$15 million to increase support for the Administration's offender re-entry program, which includes the participation of the Departments of Labor and Housing and Urban Development. An increase of \$19.3 million is requested to assist states and units of local government in developing and implementing residential and substance abuse treatment programs. An increase of \$29.9 million is requested for the drug courts program, which will result in a 2 percent improvement in the graduation rate from the drug courts program as compared to FY 2005 estimates.

Our request proposes the establishment of a program to provide \$20 million in FY 2006 (\$50 million over three years) for training to private defense counsel and public defenders, state

and local prosecutors, and state judges to improve the competency of all participants connected with the trial of state capital cases.

Efforts to improve our ability to combat terrorism would not be a success without our state and local partners. The FY 2006 request invests \$90.3 million in state and local programs to combat terrorism including a \$4.5 million increase for the Regional Information Sharing System; \$14 million for state and local anti-terrorism training; \$7 million to develop tools and approaches to improve the ability of state and local first responders to detect and effectively respond to terrorist attacks; \$16 million to fund the USA Freedom Corps program; and a total of \$6.2 million for the National Criminal Intelligence Sharing Plan –the state and local complement to the Department’s Law Enforcement Information Sharing Program.

A \$227.4 million investment is also proposed to assist state and local communities in combating other violent crimes, including \$10.2 million to prevent prison rape and prosecute persons committing it. The Department is committed to upholding the rights and to defending human dignity of all citizens, including prisoners.

The FY 2006 budget requests an additional \$72.7 million to continue efforts to reduce convicted offender and crime scene backlogs, strengthen the capabilities of labs, fund DNA research and development projects, provide specialized training to law enforcement and lab and medical personnel, pay for programs and educational materials that employ DNA technology to identify missing persons, and to fund a post-conviction DNA testing program. Also included in the FY 2006 budget is a \$29.9 million total investment in the Bulletproof Vests Program.

Judicial Protection, Detention and Incarceration

As a result of aggressive law enforcement policies targeting terrorism, violent crime, immigration violations, and drug crimes, as well as the increases in the number of FBI and DEA agents, the number of criminal suspects appearing in federal court continues to grow, as does the number of individuals ordered detained and ultimately incarcerated. The FY 2006 budget request provides significant resources needed to improve courtroom security and the detention and incarceration of those accused or convicted of violent crimes. During FY 2004, the Nation’s federal prison population rose 4.3 percent, by 7,396 inmates. At the same time, the federal prisoner detention population rose 11.8 percent, increasing by approximately 5,200 detainees on a daily basis. The request provides additional resources for the Bureau of Prisons and Office of the Detention Trustee to manage this growth, including activation costs for three new facilities and two expansions of existing facilities. The FY 2006 DOJ budget requests \$509.6 million in additional resources in these areas.

The U.S. Marshals Service (USMS) ensures that the federal justice system operates effectively and securely by providing judicial and courtroom security to deter and respond to threats and protect federal judges, court personnel, witnesses and other participants in federal judicial proceedings. This budget will provide the resources needed for the Department to continue to ensure that no judicial proceedings are interrupted due to inadequate security as well

as to continue to identify, assess, and respond to the threats against court personnel and property; enhance the physical security of federal courthouse facilities; and provide for the long-term protection of federal witnesses and their families.

Additionally, the USMS has primary jurisdiction to conduct and investigate fugitive matters involving escaped federal prisoners; probation, parole and bond default violators; warrants generated by DEA investigations; and certain other related felony cases. In FY 2004, the USMS apprehended 39,000 federal felons – more than all other law enforcement agencies combined. In addition, working with authorities at the federal, state, and local levels, USMS apprehended 79,740 fugitives. This budget provides \$790.2 for the USMS, which is \$42.6 million and 114 positions over the 2005 enacted level.

For the Bureau of Prisons (BOP), our FY 2006 budget seeks an increase of \$148 million and 1,007 positions, which includes \$37.2 million for the subsistence cost of the increasing inmate population. The BOP projects that it will receive 4,269 additional inmates between FY 2005 and FY 2006. These resources will enable the BOP to meet the marginal costs, \$8,712 per inmate, of providing security, food, medical care, clothing, education, and other costs associated with the population increase. An increase of \$85.0 million and 1,002 positions is also included to begin the activation process for 3 newly constructed facilities, activate a 50 cell expansion to the existing Special Housing Unit at United States Penitentiary Florence, Colorado and to begin the activation process for a 362 bed low security housing unit at Federal Correctional Institution (FCI) Sandstone, Minnesota. In addition, \$19.8 million and 5 positions are requested to begin the process to obtain 1,600 additional beds in contract facilities to house low security and female inmates for 6 months in FY 2006. Lastly, the BOP request seeks \$6.0 million to establish a residential re-entry program at 6 institutions that will build partnerships with faith based and community organizations.

For the Office of the Federal Detention Trustee, our request reflects an additional \$347.4 million to house USMS detainees in state, local and private facilities. The number of federal prisoners detained is expected to increase 14.9 percent over FY 2005, resulting in an average daily population of over 60,000 detainees compared to approximately 27,000 three years ago. This enhancement will ensure the availability of adequate, cost-effective detention capacity for the anticipated jail days that will be spent in state, local or private facilities.

Management and Stewardship Improvements

In his February 2nd State of the Union Address, the President underscored the need to restrain spending in order to sustain our economic prosperity. As part of this restraint, it is important that total discretionary and non-security spending be held to levels proposed in the FY 2006 Budget. The budget savings and reforms in the Budget are important components of achieving the President's goal of cutting the budget deficit in half by 2009 and we urge the Congress to support these reforms. The FY 2006 Budget includes more than 150 reductions,

reforms, and terminations in non-defense discretionary programs, of which 1.88 billion affect DOJ programs. The Department wants to work with the Congress to achieve these savings

As part of our efforts to improve management and stewardship, the Department continues to evaluate its programs and operations with the goals of achieving both component-specific and departmental economies of scale, increased efficiencies, and cost savings/offsets to permit us to fund initiatives that are of higher priority. The Department is engaged in a multi-year process to implement a wide range of management and information technology improvements that will result in substantial savings. The cost absorptions and crosscutting efficiencies identified in this budget impact virtually every component in the Department. Additional investments in management and information technology improvements, such as e-gov, e-training and e-travel initiatives, will ensure all DOJ components are able to function in an interoperable environment, particularly with respect to preventing terrorist attacks on the United States.

DOJ Financial Management

The Department is committed to continuous improvement in financial management in order to maximize every dollar that is provided to us. The FY 2006 budget requests \$33.0 million and 6 positions to continue support for the Unified Financial Management System (UFMS), including hardware and software acquisition, integration and implementation, and project management activities. The annual financial audits of DOJ and its components have found fault with several of the seven core financial management systems in use at DOJ. Continuing the UFMS initiative will result in a significant improvement to the efficiency and integrity of our financial and accounting system.

DOJ Diversity

The FY 2006 request seeks \$.8 million to enhance attorney recruitment and retention through an enhanced student loan repayment program and to implement an automated attorney hiring system. The Department is committed to casting the widest net to attract the most qualified and diverse applicants.

Conclusion

Chairman Wolf, Congressman Mollohan, Members of the Subcommittee, I have brought before you today the resources necessary to carryout the Department's priorities for FY 2006. I am honored to testify before you and look forward to the days and months ahead working with you on this budget proposal and other issues.

Thank you. I would be pleased to answer any questions you might have.